



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON, DC 20350-2000

IN REPLY REFER TO

OPNAVINST 4100.9A
OP-413
4 Sep 85

OPNAV INSTRUCTION 4100.9A

From: Chief of Naval Operations

Subj: DEFENSE CONTRACTOR ENERGY SHORTAGES AND CONSERVATION

Encl: (1) DODINST 4170.9 of 16 May 1978

1. Purpose. To implement Department of Defense policies for coping with industrial energy shortages which impact on Defense production, and encourage energy conservation practices among defense contractors.

2. Cancellation. OPNAVINST 4100.9

(A)

3. Action. Major Claimants shall:

(R)

a. Implement the policies and carry out the actions as appropriate in enclosure (1).

b. Issue supplementary directives, as required, to implement enclosure (1).

T. J. Hughes
T. J. HUGHES
Deputy Chief of Naval
Operations (Logistics)

Distribution:

SNDL A2A (Department of the Navy Staff Offices) (CNR only)
21A (Fleet Commanders in Chief)
22A (Fleet Commanders)
23A (Naval Force Commanders)
23C3 (COMNAVRESFOR)
24A (Naval Air Force Commanders)
41A (COMSC)
FD1 (COMNAVOCEANCOM)
FE1 (COMNAVSECGRU)
FG1 (COMNAVTELCOM)
FH1 (COMNAVMEDCOM)
FKA1A (COMNAVAIRSYSCOM)
FKA1B (COMNAVSPAWARCOM)
FKA1C (COMNAVFACENGCOM)
FKA1F (COMNAVSUPSYSCOM)
FKA1G (COMNAVSEASYSYSCOM)
FT1 (CNET)
FT2 (CNATRA)
FT5 (CNTECHTRA)

OPNAVINST 4100.9A

4 SEP 1985

Copy to:

SNDL A6 (Headquarters U.S. Marine Corps)

Stocked:

CO, NAVPUBFORMCEN

5801 Tabor Avenue

Philadelphia, PA 19120-5099 (100 copies)



4 SEP 1985

May 16, 1978

NUMBER 4170.9

USD/R&E

Department of Defense Instruction

SUBJECT: Defense Contractor Energy Shortages and Conservation

- References:
- (a) Defense Production Act of 1950, as amended
 - (b) Energy Policy and Conservation Act of 1975
 - (c) Defense Acquisition Regulation 1-339 (DPC 76-7), "Energy Conservation," April 29, 1977
 - (d) through (f), see enclosure 3

A. PURPOSE

This Instruction assigns responsibilities and provides guidance for dealing with industrial energy shortages which impact on defense production, and for encouraging energy conservation practices among defense contractors.

B. APPLICABILITY

The provisions of this Instruction apply to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies (hereafter referred to as "DoD Components").

C. POLICY

It is the policy of the Department of Defense to (1) advise and assist defense contractors experiencing energy shortages; (2) recommend the use of reference (a) to obtain emergency relief during energy shortages only under conditions of extreme urgency; (3) perform contingency planning in anticipation of energy shortages in order to minimize the impact on defense acquisition programs; and (4) encourage energy conservation practices among defense contractors in accordance with references (b) and (c).

D. RESPONSIBILITIES

1. The Under Secretary of Defense for Research and Engineering (USD/R&E) is responsible for:

- a. Providing policy and procedures for DoD Components concerning energy shortages and energy conservation among defense contractors, and
- b. Coordinating, reviewing and approving all actions by DoD Components seeking energy shortage relief for defense contractors at the national level.

Enclosure (1)

2. The Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) (ASD(MRA&L))) is responsible for:

- a. Obtaining allocations of energy supplies for defense contractors at the recommendation of the USD/R&E, and
- b. The administration of DoD energy matters pursuant to Title I of the Defense Production Act (reference (a)) or other allocation authority.

3. The DoD Components are responsible for:

- a. Developing contingency plans and procedures for use in anticipation of defense contractor energy shortages.
- b. Advising defense contractors as to the reporting and resolution of energy shortages.
- c. Encouraging defense contractors to explore and develop alternate energy capabilities, and to implement energy conservation programs.
- d. Identifying to the USD/R&E an Industrial Energy Officer as a prime point of contact.
- e. Developing operating procedures and establishing a chain of responsibility to the field level.

E. PROCEDURES

1. In anticipation of defense contractor energy shortages, DoD Components will perform contingency planning on selected defense contractors, as necessary, to minimize the impact on defense acquisition programs and operations. The planning should be performed well in advance of projected shortages so that action may be implemented in a timely manner. Emphasis should be placed on contractors performing on high priority acquisition programs such as those identified on the DoD Master Urgency List (DoD Instruction 4410.3, reference (d)).

2. The planning should take into consideration the energy resource capabilities of the selected contractors relative to defense production, including such factors as (a) the types and quantity of energy resources used for defense production, (b) the identification of the contractor's energy resource suppliers and distributors, (c) alternate energy resource capabilities, (d) current and projected energy forecasts and curtailments, (e) the energy allocation priorities assigned to contractors by State and Federal authorities, (f) the contractor's contingency plan for coping with energy shortages, and (g) other pertinent factors.

May 16, 78
4170.9

3. In general, defense contractors should be encouraged by DoD Components to (a) develop contingency plans of their own in anticipation of energy shortages, (b) develop alternate energy resource capabilities, and (c) thoroughly familiarize themselves with the Federal, State, and local procedures for obtaining emergency relief from energy shortages.

4. In conjunction with contingency planning, each DoD Component shall provide for the early detection, assessment and reporting of defense contractor energy shortages impacting on their programs and operations. The system shall provide for the screening and resolution of each case at the lowest possible level of authority. Enclosure 1 is provided as guidance.

5. In relation to the Priorities and Allocations authorities delegated under DoD Instruction 4400.1 (reference (e)), DoD Components shall advise defense contractors that DX and DO ratings assigned to contracts are not available for obtaining supplies of petroleum, gas, solid fuels and electricity. This is stated in Schedule II of the Defense Priority System Regulation #1 (DPS Reg. 1). Accordingly, the use of the Special Priorities Assistance procedure (DIB Form 999) as described in section 12 of DPS Reg. 1 does not apply to the acquisition of energy resource allocations.

6. When DoD Components are requested to validate Defense contractor requests for additional emergency energy resource allocations at the local level, such validation shall be restricted to the quantities needed to sustain defense production. If allocations are granted as a result of validation, close monitoring shall be conducted to ensure that the allocations are used to sustain defense production and not for some other purpose.

7. The validation or sponsorship of defense contractor requests for relief from energy shortages which require action beyond the scope of DoD Component responsibility, such as requests for the invocation of the Defense Production Act (reference (a)), shall be submitted to the USD/R&E for evaluation and decision. The information required for such submission is contained in enclosure 2.

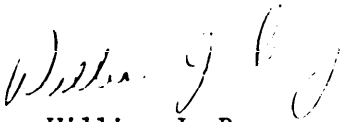
8. In accordance with the Energy Policy and Conservation Act (reference (b)), DoD Components shall encourage defense contractors to adopt energy conservation measures embracing the major areas of industrial energy usage, placing emphasis on high energy users. The attention of contractors should be directed to the many publications on energy conservation available from the Government Printing Office. Examples of such publications issued by the Department of Commerce (DoC) and the Federal Energy Administration (FEA) (now a part of the Department of Energy) are (a) NBS Handbook 115, Energy Conservation Program Guide for Industry (DoC); (b) the Energy Conservation Handbook for Light Industries and Commercial Buildings (DoC); (c) the Total Energy Management Handbook (DoC

and FEA); and (d) the Energy Conservation Site Visit Reports, published in conjunction with the Federal Energy Management Program Studies (FEA).

9. In addition, contractors should be informed of the DoD procurement policy contained in DAR 1-339 (reference (c)). Whenever this DAR requirement is invoked, energy conservation and efficiency criteria will be considered in contract negotiation and award. Also, contractors operating Government-owned plants should be advised of the DoD Energy Conservation and Management Program, whereby energy conservation proposals may be submitted to the DoD Components concerned under the provisions of DoD Instruction 4275.5 (reference (f)).

F. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Forward two copies of implementing instructions to the Under Secretary of Defense for Research and Engineering within 120 days.


William J. Perry
Under Secretary of Defense
for Research and Engineering

Enclosures - 3

1. Energy Shortage Procedures
2. Data Required to Support a Request for
DoD Assistance During an Energy Shortage
3. References (continued)

May 16, 78
4170.9 (Encl 1)

ENERGY SHORTAGE PROCEDURE

1. Defense contractors experiencing potential or actual energy shortages are responsible for taking every action necessary to prevent delays in the performance of defense contracts. Such actions should include:
 - a. Efforts to resolve the problem with their energy supplier, and seeking relief through local, State, and Federal energy agencies as necessary.
 - b. Implementing contingency plans, such as the use of alternate energy capabilities and the strict adherence to the Defense Priorities System in the performance of rated contracts and orders.
 - c. Immediately reporting the potential/actual shortage to the DoD procurement agencies involved as necessary.
2. When informed of a defense contractor energy problem, DoD Components shall not assume responsibility or create the impression of willingness to assume responsibility for resolving the energy problem, but should proceed as follows.
 - a. Advise the contractor to seek all possible assistance as described above.
 - b. Assess the impact of the problem on defense production, implementing existing contingency plans where applicable. Consideration must be given to the (1) type items procured, (2) their relationship to urgent defense programs/operations, (3) impact of potential or actual delivery delays in the supply chain, and (4) ability to "live" with such delays.
 - c. If the potential/actual delivery delays cannot be tolerated, and all local remedial action has been exhausted, then the facts of the case should be escalated to the DoD Component command level for further assessment/evaluation, and possible reporting to the USD/R&E level by the responsible Industrial Energy Officer established under subsection D.3. of this Instruction. An energy shortage data sheet is provided as enclosure 2 for your guidance.

May 16, 78
4170.9 (Encl 2)

DATA REQUIRED TO SUPPORT A REQUEST FOR DOD
ASSISTANCE DURING AN ENERGY SHORTAGE

1. Name and location of reporting DoD Component.
2. Name and location of defense contractor experiencing the shortage.
3. Identify the defense items produced which will be impacted, the end item/programs supported, and their urgency to the DoD Component's operations and national defense.
4. State length of production curtailment or shutdown expected, and how long it can be endured without serious impact to defense acquisition programs and operations.
5. Identify the energy resource(s) in short supply, including its use relative to defense production.
6. State the quantity of energy resource required per day to sustain defense production.
7. Identify alternate energy source or capability, if any, and to what extent it will provide relief. If available and not utilized, state the reasons.
8. Identify the energy resource suppliers/distributors involved. If natural gas, identify as interstate or intrastate.
9. State efforts taken by the contractor to seek relief and the results, including documentation from suppliers, distributors and Federal/State authorities involved.
10. Identify actions taken by the DoD Component to advise and assist the contractor.
11. Identify the ratio of commercial to defense production at the contractor's plant experiencing the shortage.
12. State efforts taken by contractor to conserve energy, including the date such efforts began, conservation methods applied, and the results obtained to date, as available.

May 16, 78
4170.9 (Encl 3)

REFERENCES (con.)

- (d) DoD Instruction 4410.3, "Policies and Procedures for the DoD Master Urgency List (MUL)," April 4, 1978
- (e) DoD Instruction 4400.1, "Priorities and Allocations - Delegations of DO and DX Priorities and Allocations Authorities," November 16, 1971
- (f) DoD Instruction 4275.5, "Industrial Facility Expansion and Replacement," December 3, 1971